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HEALTH

**CONGRESS OF THE UNITED STATES**  
**HOUSE OF REPRESENTATIVES**  
WASHINGTON, D.C. 20515

April 30, 2021

The Honorable Mike Quigley  
Chair  
Subcommittee on Financial Services and  
General Government  
Committee on Appropriations  
2000 Rayburn House Office Building  
Washington, DC 20515

The Honorable Steve Womack  
Ranking Member  
Subcommittee on Financial Services and  
General Government  
Committee on Appropriations  
1016 Longworth House Office Building  
Washington, DC 20515

Dear Chair Quigley and Ranking Member Womack:

As you prepare the FY 2022 Financial Services and General Government Appropriations bill, I urge you to include \$1 million for express purpose of conducting an independent, third party review of the efficacy of several tax credit programs that were expressly passed into law to address economic inequity. The three programs are: (1) the New Market Tax Credit (NMTC); (2) the Opportunity Zone / Fund Program; and (3) the Federal Communications Commission (FCC) Tax Certificate Program.

A cursory examination of the evidence shows these programs to be totally ineffective in promoting economic inclusion and empowerment. NMTCs rarely, if ever, find their way to projects promoted or run by minorities or women. In fact, anecdotally, in the 30 plus years of its existence, the state of Arkansas has never had a Black-run project receive a NMTC allocation. If the NMTC program is to begin to fulfill its mission of encouraging capital investment in low-income communities, it must focus on meeting the needs of those who live in those very communities.

The Opportunity Zone program, created by the 2017 Tax Cut and Jobs Act, has proven itself to be a conduit for high-end real estate financing, with average investments being over \$20 million per project. It has woefully underperformed in stimulating the development of small businesses in underserved communities. A 2020 study by the Urban Institute noted that "It appears that [Opportunity Zones] are neither on a trajectory to democratize access to capital nor will they, at scale, incentivize mission-oriented projects that align with community goals and priorities."

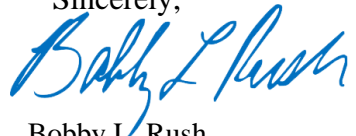
Finally, the FCC Tax Certificate Program, which has been in existence for over 30 years, has not increased minority media ownership. In fact, over this time, minority ownership has declined. A cursory review of the evidence finds that no notable projects have utilized the tax credit program in the past 20 years.

I believe it is time to conduct a thorough investigation into the strategies pursued by these programs and find ways to either make them more effective. or, if they prove incapable of achieving their stated missions, eliminate them. These studies will be the first step in determining how, and if, these tax credit programs can effectively serve those they are intended to help.

It is also time we diversify the voices at the table in the financial services sector, which is why it is of utmost importance that small, minority organizations conduct this research.

Thank you for your consideration of this important request.

Sincerely,

A handwritten signature in blue ink, reading "Bobby L. Rush". The signature is fluid and cursive, with the first name "Bobby" being more prominent and the last name "Rush" following in a similar style.

Bobby L. Rush  
Member of Congress